

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2180 - SB 2430

February 23, 2022

SUMMARY OF BILL: Extends, indefinitely, wholesaler reporting requirements under the Retail Accountability Program (RAP) regarding the following items: food, candy, and nonalcoholic beverages, including bottled soft drinks.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Under the RAP, pursuant to Tenn. Code Ann. § 67-6-410, the Commissioner of the Department of Revenue (DOR) is authorized to require persons making sales to retailers of beer or tobacco products to file an information report of such sales.
- Pursuant to Tenn. Code Ann. § 67-6-410(a)(3), the Commissioner of the Department of Revenue is authorized to require persons making sales to retailers of food, candy, and nonalcoholic beverages, including bottled soft drinks, to file an information report of such net sales.
- Such provisions are currently set to sunset on July 1, 2022.
- The proposed legislation will extend the requirement indefinitely
- Based on information provided by the DOR, the proposed requirement results in approximately \$1,000,000 in additional sales tax collections, \$710,200 of which is the state portion and \$289,800 of which is the local portion.
- Extending the requirement indefinitely will maintain the current level of state and local sales tax collections.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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